



# *The Commonwealth of Massachusetts*

## *Office of Campaign & Political Finance*

*One Ashburton Place, Boston 02108*

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*Dennis J. Duffin  
Director*

AO-85-11

August 5, 1985

Nicholas J. Costello  
State Senator  
Room 217  
State House  
Boston, MA 02133

Dear Senator Costello:

This is in response to your recent request for an advisory opinion concerning the application of G.L. c. 55, the campaign finance law to a scholarship fund you are interested in creating for students in the Merrimack Valley.

You state that this fund is to be formed through donations from activities specifically designed for this purpose. These funds will be held in an account separate from any Costello campaign account or any private finances. Money from this account will be awarded annually to at least one student from the Merrimack Valley for the purpose of higher education in the field of human services. Although the funds will be awarded from this Costello Scholarship Fund, the recipient will be selected by the local school administration and faculty in accordance with these guidelines.

Based on the information presented by you, it is my opinion that this scholarship fund would not be a "political committee" under the campaign finance law. Therefore, the provisions of the law would not extend to contributions by you from private funds as well as those you have received in honorarium.

Chapter 55, and rules promulgated thereunder, do regulate contributions by your political committee to entities such as the proposed Costello Scholarship Fund. Political committees such as yours may expend funds for:

Charitable contributions provided all of the following requirements are met:

1. The contribution is made to an entity which is subject to either M.G.L. c. 12s.8(f), M.G.L. c. 67 or M.G.L. c. 180;

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2. Neither the candidate, treasurer or any official of the political committee is a trustee, officer, principal or beneficiary or involved in any manner in the operations of said entity;

3. Neither the candidate, treasurer nor any official of the political committee has any personal relationship with any trustee, officer, principal or beneficiary of said entity;

4. Making such charitable contributions is a usual and customary practice of that political committee;

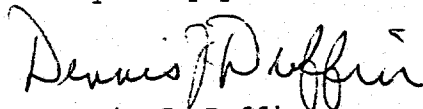
5. The candidate or political committee will receive publicity and foster political good will towards the particular campaign during which the contribution is made as a result of making the contribution.

970 C.M.R. c.06 (3)(a).

It is clear that you, as the candidate, are a principle of the Costello Scholarship Fund, and are involved in its operations. Indeed, it even bears your name. Therefore, the above-cited requirements which would permit your committee to contribute to the Scholarship Fund cannot be met.

In conclusion, C. 55 does not permit your political committee to contribute to the Costello Scholarship Fund. I suggest that you contact the State Ethics Commission, as well as the Public Charities Division of the Office of the Attorney General, to determine whether your contemplated activities raise questions under laws within their jurisdiction. Your question regarding the acquisition of non-taxable status is not within the jurisdiction of this office, and can be answered by the Internal Revenue Service.

Very truly yours,



Dennis J. Duffin  
Director

DJD/mam